

ADDITIONS AND DELETIONS TO THE BASE

Potential future year program expenditure additions considered in the forecast have been included in the “**committed**” additions section of the forecast.

Committed additions/deletions involve expense changes that are deemed relatively unavoidable. The majority of items included in this category are additional maintenance and operating expenses that will be required to fully operate and maintain funded capital projects that will be completed within the five-year horizon of this forecast. This includes the expenses that will be associated with the maintenance and operations of new street improvements, new parks and community facilities and new community and public safety facilities. It should be noted that the projected costs included in this category have been submitted by the various departments involved, but have not yet been fully analyzed by the Budget Office. It can be anticipated that significant refinements of these estimates would be performed prior to bringing them forward for consideration by the Council.

In prior forecasts, Additions and Deletions to the Base were grouped into two categories – “**committed**” and “**extended**”. **Extended** additions/deletions were considered to be projected expenses, which may flow from general Council direction, but where the annual amount of funding is more discretionary; with approval subject to the availability of funding or eligible for funding from sources other than the General Fund. The extended additions category included operating costs and furnishings, fixtures and equipment expenses for new parks, community and public safety facilities. In this forecast, the operating costs are now being reflected in the committed addition section. In a majority of the capital projects, departments have identified other funding opportunities for furnishings.

Projections factor in an inflation escalator for the out years of the forecast.

COMMITTED ADDITIONS AND DELETIONS

Hayes Mansion Conference Center - This addition item, new to the forecast, projects funding necessary to subsidize the debt service payments necessary for the Hayes Mansion Conference Center. Currently, expenditures for the Hayes Mansion Conference Center, which includes debt service for its bonds, are funded in the Community Facilities Revenue Fund. It is projected that insufficient revenues will be available in that fund for all five years of the forecast period to support the scheduled debt service payments for the facility.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
3,900,000	3,900,000	3,900,000	3,900,000	3,900,000	19,500,000

COMMITTED ADDITIONS AND DELETIONS (CONT'D.)

Street Improvements - This category reflects the projected additional costs that will be necessary to maintain new traffic signals, landscaping, and street lighting included in the City's Five Year Capital Improvement Program.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
172,000	230,000	288,000	331,000	347,000	1,368,000

New Parks and Recreation Facilities Maintenance - This category reflects the projected additional costs of maintaining new parks and recreation facilities included in the City's Five Year Improvement Program, including those that will be developed by other agencies. As noted above, cost estimates have been provided by the departments involved, and have yet to be fully analyzed by the Budget Office.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
985,000	1,612,000	1,832,000	2,063,000	2,286,000	8,778,000

New Parks and Recreation Facilities Operations - This category reflects the projected additional costs of fully operating new parks and recreation facilities included in the City's Five Year Improvement Program, including those that will be developed by other agencies. As noted above, cost estimates have been provided by the departments involved, and have yet to be fully analyzed by the Budget Office.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
124,000	142,000	141,000	126,000	131,000	664,000

COMMITTED ADDITIONS AND DELETIONS (CONT'D.)

Communications Hill Fire Station - This allocation reflects the projected additional maintenance and operations costs of a new fire station now tentatively scheduled to open in 2007-2008.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
336,000	2,268,000	2,237,000	2,367,000	2,505,000	9,713,000

Measure O (Library) Maintenance - This reflects the projected additional maintenance costs of new and expanded branch libraries that were approved in the November 2000 election.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
347,000	800,000	1,030,000	1,539,000	1,739,000	5,455,000

Measure O (Library) Operations - This reflects the projected additional operating costs of new and expanded branch libraries that were approved in the November 2000 election.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
1,768,000	2,025,000	3,484,000	6,889,000	8,517,000	22,683,000

Measure P (Parks) Maintenance - This reflects the projected additional maintenance costs of new and expanded parks and community facilities that were included as part of a bond measure approved in the November 2000 election.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
103,000	133,000	1,109,000	1,323,000	1,388,000	4,056,000

COMMITTED ADDITIONS AND DELETIONS (CONT'D.)

Measure P (Parks) Operations - This reflects the projected additional operating costs of new and expanded parks and community facilities that were included as part of a bond measure approved in the November 2000 election.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
176,000	186,000	1,537,000	3,055,000	3,253,000	8,207,000

Measure O (Public Safety) Maintenance and Operations: Fire - This reflects the projected additional maintenance and operating costs of new and expanded fire facilities that were included as part of a bond measure adopted by the voters in the March 2002 election. Included are the projected costs for new fire companies that will be required. These include Fire Station 34 (Berryessa), Fire Station 35 (Cottle/Poughkeepsie), and Fire Station 37 (South Willow Glen).

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
	718,000	4,956,000	5,183,000	7,806,000	18,663,000

Measure O (Public Safety) Maintenance and Operations: Police - This reflects the projected additional maintenance costs of new and expanded police facilities that were included as part of a bond measure adopted by the voters in the March 2002 election. Included are the projected costs for South and East San José Community Policing Centers and South San José Substation.

<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>5 Year Total</u>
	26,000	376,000	753,000	789,000	1,944,000